UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

FIFTH COMMITTEE
25th meeting
held on
Friday, 8 November 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 25th MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. ALOM (Vice-Chairman)	(Bangladesh)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Distr. GENERAL
A/C.5/51/SR.25
18 August 1997
ENGLISH
ORIGINAL: SPANISH

96-81983 (E)

The meeting was called to order at 3.05 p.m.

ORGANIZATION OF WORK

1. Ms. INCERA (Costa Rica), speaking on behalf of the Group of 77 and China, said that certain high-level Secretariat officials had complained to the Permanent Representatives of some countries which were members of the Group concerning the behaviour of their representatives in the Fifth Committee and had even requested that those representatives remain silent or be withdrawn on the grounds that their positions were detrimental to certain Secretariat interests. The delegations of the Group's member countries participated constructively in negotiations in order to arrive at solutions satisfactory to all; however, they could not be expected to abandon their instructions and their political positions. Such deplorable practices - which were a blatant violation of Article 100 of the Charter of the United Nations - must not recur, in the interest of preserving the spirit of cooperation between Member States and the Secretariat, which would bring greater credibility to the Organization.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)
(A/50/7/Add.16, A/51/7/Add.1 and A/C.5/50/57 and Add.1)

2. Mr. CONNOR (Under-Secretary-General for Administration and Management), replying to questions raised at earlier meetings concerning the work of the Efficiency Board, said that the Secretary-General had developed a comprehensive management plan which had been submitted to the General Assembly in 1995. One of the key objectives of the plan had focused on the subject of efficiency, specifically, on how to improve management of the cost structure and enhance the programme of cost-effectiveness. With those objectives in view, the Secretary-General had decided to establish a task force, the Efficiency Board, to guide that effort, and the idea had received impetus from the decision of Member States requesting the Secretary-General to reduce programme budget costs by $154 million for the biennium 1996-1997. The Board had become a mechanism to assist the Secretary-General in cushioning the effect on activities of the reduction of resources, through the identification of more efficient ways to implement programmes and by providing guidance to a number of working groups concerned with efficiency studies comprising United Nations managers and experts in management change provided by Member States.

3. The members of the Board, in addition to himself, were Mr. Rafeeuddin Ahmed, Associate Administrator of the United Nations Development Programme (UNDP); Ambassador Ibrahim Gambari, Permanent Representative of Nigeria to the United Nations; Ambassador Jamsheed Marker, former Permanent Representative of Pakistan to the United Nations; Mr. Jean-Claude Milleron, Under-Secretary-General for Economic and Social Information and Policy Analysis; Mr. Gert Rosenthal, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) and Sir Brian Urquhart, former United Nations Under-Secretary-General for Special Political Affairs.

4. The working groups were the prime vehicle for the work of the Board. In order to finance its activities without having an impact on the regular budget, the Secretary-General had sent various appeals to all Member States - many of

which had carried out change management projects - asking for their support either through the provision of personnel with the requisite expertise or through monetary contributions. It was deemed relevant to draw on the expertise developed by Member States in reforming their own national Governments, for example, in the areas of human resources, finance, budgeting and procurement and others. Participation in the working groups and the length of service varied from less than 1 month to 10 months, depending on the requirements and contributions received, monetary as well as in terms of personnel. Some experts had been loaned by their Governments and others had been engaged through consultancy contracts financed by resources contributed by Member States, as detailed in the informal document circulated to members of the Committee. In addition, the Board had the support of fellows and interns provided by some Member States to support the working groups in training, analysis, research and other activities. In addition to the experts loaned, contributions totalling $204,311 had been received from six Member States - Germany, Saudi Arabia, Australia, Ireland, Sweden and New Zealand - and it was hoped that four other Member States - Denmark, Finland, Norway and the United States of America - would contribute an additional $250,000.

5. Expenditures totalling $168,700 had been made. The resources provided by Member States had been spent on support for the participation of experts and fellows from developing countries in the working group, expert consultations in financial and human resources management and benchmarking visits to Member States, international organizations and managerial workshops, and support to recognize in some tangible way the contribution of United Nations staff. The resources also had been used for honoraria and travel for Board members and for the publication and distribution of the report entitled UN 21: Better service, better value, better management, which the Board had submitted to the Secretary-General in September and had made available to Member States. The overhead charges, at rates established by the General Assembly, were being used to cover the support costs for office furniture, communications and computers.

6. With regard to the results achieved and future plans, he said that in February 1996, all programme managers had been asked to initiate efficiency reviews to identify ways to enhance the effectiveness and efficiency of their operations and help cushion the impact of budget reductions. As a result, more than 400 efficiency projects had been undertaken by United Nations managers with staff participation; 23 per cent of the efficiency projects had been implemented as of September, in areas under the authority and responsibility of the managers concerned or in cooperation and with the approval of the intergovernmental body concerned. Examples included improved documents control, scheduling of work shifts in conference services, renegotiation of contracts to increase efficiency and the use of technology to reduce travel and other costs associated with translation. The optical disc system had just been made available to missions, and the United Nations Home Page had been receiving nearly 400,000 inquiries weekly from all over the world. The use of videoconferencing technology had been introduced in order to reduce the need to travel and to make the global Secretariat a reality. The exercise also was encouraging a much more rapid spread of good efficiency practices throughout the Organization; one example was

a workshop sponsored recently to promote the spread of good practices among managers in the Organization, including, for example, the use of technology to even out workloads and ensure that translation staff were fully employed at all duty stations.

7. The Secretary-General was committed to implementing all of the projects under his authority. Roughly an additional 20 per cent of the projects would be completed in the coming months, including improved procedures for the purchase of foreign currency and rationalization of travel relating to specific departments and activities. A cross-cutting review was being carried out in order to reduce administrative costs in the Organization. That effort had led to the receipt of many reports from the Advisory Committee on Administrative and Budgetary Questions, the Board of Auditors, the Office of Internal Oversight Services and other units, which had agreed that too much of the Organization's resources were spent on administration. Efforts also were being made to clarify lines of accountability and responsibility within the Secretariat so that programme managers could be given greater responsibility as well as authority for the use of resources.

8. Ms. GOICOCHEA ESTENOZ (Cuba) expressed concern regarding the statute of the Efficiency Board and asked whether its recommendations resulted from an analysis which took into account the views expressed by Member States or the proposals made during the discussion of the agenda item on the review of the efficiency of the administrative and financial functioning of the United Nations. It also was unclear how the Board's work complemented that of intergovernmental evaluation machinery, and there was therefore a danger that they would duplicate each other's work. Another concern was that some recommendations might affect the work of the Organization in a manner that might impinge on the prerogatives of Member States, for example, the right to request the distribution of their documents or the hiring of their nationals, even on a temporary basis. She wished to know whether the additional 13 per cent in support costs relating to the contributions to the Board from States had been repaid. She also enquired whether the Board had anticipated any direct or indirect costs affecting the regular budget, whether any Secretariat staff had provided support services to the Board on a full- or part-time basis and what contractual relationships had been established between the United Nations and staff who had worked with the Board. She also wished to know why assistants had been involved in such an important exercise, what criteria had been used to select them and whether the need to ensure equitable geographical distribution had been respected.

9. Mr. MOKTEFI (Algeria) said that the Efficiency Board's terms of reference were unclear and that the United Nations had many experts, especially in certain monitoring bodies, such as the Joint Inspection Unit, the Advisory Committee on Administrative and Budgetary Questions and the Board of Auditors, whose technical expertise enabled them to discharge specific responsibilities and make substantial contributions to the efficiency measures, since, in addition to having an inside knowledge of the Organization, they had a global view of its functioning and management. In the interests of legitimizing and ensuring transparency in the work of the Board, members of the aforesaid bodies should be

included in it. Moreover, he could not fail to observe that the geographical origin of the Board's financing reflected a specific conception of the reform, whereas any reform should take into account the Organization's universal character.

10. Mr. KAMAL (Pakistan) said it was unfortunate that the debate had focused on the Efficiency Board and not on the Organization's efficiency per se. If the appropriate consultations had been held with Member States prior to the establishment of the Board, its relatively small contradictions might not have aroused the fears expressed in the Committee. Nevertheless, if the Board had been able to detect certain flaws in the Secretariat and had recommended ways of eliminating them, it should be given credit for doing so and its ideas should be considered. In order to increase efficiency it was necessary to define clear goals, avoid duplication and waste, and determine ways of upgrading the practices and working procedures of the Secretariat which needed to be improved. What must be made clear was that increasing efficiency was not simply a matter of reducing staff, but of improving results. By themselves, budget cuts whose sole purpose was to please those who had not paid their contributions in full were a feeble goal from the standpoint of efficiency.

11. In connection with that topic, it was necessary to address issues, such as permanent contracts and staff secondment, to which his delegation had referred earlier during the Committee's discussion of the item on the review of the efficiency of the administrative and financial functioning of the United Nations. Those issues gave rise to situations such as had occurred at the current session, in particular, where the documents needed for discussion of a question had been issued to delegations at the same meeting at which the discussion was to be held, and where the senior Secretariat officials seated at the podium had not even had the courtesy to acknowledge their mistakes. Those and other examples mentioned were not the only ones; it was such situations which should really be examined. In the final analysis, it was a question of how best to utilize the Organization's resources in order to achieve better results.

12. Mr. MIRMOHAMMAD (Islamic Republic of Iran) said that the Efficiency Board did not have a mandate from Member States, and that, consequently, they did not recognize its status. The question arose, furthermore, whether there was a need for a new layer of bureaucracy given the current atmosphere of cost-cutting in the Secretariat. The work of the Efficiency Board should not have financial implications for the regular budget; in that regard, he requested information as to how the costs of the consultants used by the Board had been defrayed. Recalling that any change in programmes and priorities must be approved by Member States, he also wished to know the programme implications of the efficiency proposals.

13. Mr. ALOM (Bangladesh) said that the report on efficiency measures had focused on short-term cost-cutting. It would have been preferable to adopt a broader approach, starting from an analysis of inefficiencies in the Organization's functioning, and then going on to consider the necessary corrective measures. He requested that a list of such inefficiencies should be submitted.

14. Ms. PEÑA (Mexico) expressed concern that, as had occurred during the review of the proposals for achieving savings, the Secretariat had not replied adequately or had simply ignored the questions put to it by Member States. Such an attitude did not help to advance the Committee's work.

15. Mr. ODAGA JALOMAYO (Uganda) said that his country was in favour of improving efficiency and was prepared to cooperate with the Secretariat in the adoption of measures to that end. Nevertheless, he was concerned that the Secretariat might lose its international character by limiting its activities for the sake of efficiency. While the Secretary-General was empowered to establish within his Executive Office any body which he deemed useful for improving efficiency, the reports of such a body must be submitted as reports of the Secretary-General. The Secretariat should not refer to such a body, nor should it submit reports directly to the Committee. It was his understanding that the Efficiency Board included experts from the private sector of Member States who were not always mindful of the Organization's political character; a political organization could not be managed in the same way as a multinational corporation. It would be useful to know the criteria applied in the establishment of the Efficiency Board, whether the nationalities of the Board's line managers were geographically representative, and the nature of the Board's legal mandate. It would also be helpful to have a clear definition of efficiency.

16. Mr. CONNOR (Under-Secretary-General for Administration and Management), replying to questions raised during the debate, said that some speakers had implied that the participation of United Nations officials in the work of the Board was improper. In reality, the entire process had been the work of United Nations staff, not of those who provided the United Nations with advice and technical assistance. The efficiency proposals had not been formulated by the Board, but by United Nations managerial staff, with the assistance of change management experts provided by Member States. The Board itself met at rather irregular intervals, solely for the purpose of providing advice and technical assistance. The interns were not members of the Board, but simply another resource which the Board had utilized in its work. The interns had helped to document and analyse current administrative processes. Their role had centred on information-gathering and not on formulating solutions.

17. All of the Financial Regulations and Rules of the United Nations had been strictly complied with. The purpose of the 13 per cent programme support charge was to prevent the indirect costs stemming from the participation of United Nations officials in the process from having any impact on the regular budget; however, he did not know exactly how much had been paid so far. The financing mechanism was wholly transparent. All Member States had been requested to make voluntary contributions to the process. Twenty-five Member States had contributed personnel and three had contributed financial resources. The sums had been very small in comparison to the volume of work accomplished.

18. He was concerned that many of the questions appeared to suggest that the members of the Board were motivated by a desire to abolish programmes, and that the Board should be dissolved because its work had not been carried out in consultation with Member States. With regard to the Secretary-General's instructions, the Efficiency Board, in seeking to improve the efficiency of the

Organization's administrative processes, had sought to help, not harm, programmes. When Member States had mandated the Secretariat to reduce the budget by $154 million, it would have been very easy to make an across-the-board, standard reduction in the budget. The preferred solution, however, had been to carry out a detailed study of the simplest and most cost-effective way of achieving the programme results sought, something that had not been done very frequently in the past. The first phase of the process had focused on measures which could be taken immediately by heads of departments. Currently, in the second phase, consideration was being given to administrative questions common to all departments, mainly those related to personnel, such as the frequency with which staff were paid, the verification of entitlements to benefits and procedures for the approval of travel expenses. Lastly, he drew the Committee's attention to the various efficiency measures described in the documents submitted under agenda item 116.

19. Mr. GELBER (United States of America) said that, as the representative of Pakistan had indicated, the point at issue was not the terms of reference of the Efficiency Board but the fact that support was being provided in the effort to increase the Organization's efficiency. The Secretary-General had the authority and duty to manage the Organization efficiently, having recourse, if he saw fit, to the assistance of experts willing to advise him and carrying out, if he saw fit, the recommendations of such experts. The Efficiency Board had studied the work of the staff of the Organization and had offered a rational assessment with a view to freeing resources to finance programmes instead of using them to pay the salaries of bureaucrats. The principles governing a multilateral organization were no different from those governing a multinational enterprise: to function with the greatest efficiency in order to achieve the greatest effectiveness, regardless of whether the nationality of the person providing the vital service was geographically representative. The need was to focus on efficiency and not on the country of origin of persons who had come from all parts of the world to help the Organization efficiently to attain the objectives agreed upon by the Member States.

20. Mr. KELLY (Ireland), speaking on behalf of the European Union, said that he agreed with the representative of Pakistan that attention should be focused on efficiency as such and not on the Efficiency Board. As it had stated on other occasions, the European Union believed that the Secretary-General had the authority to decide on the best means of carrying out the mandates entrusted to him by the Member States. When presenting the programme budget for the current biennium the Secretary-General had informed Member States that he had initiated a three-stage process designed to increase the Organization's efficiency. The European Union noted with satisfaction that the Secretary-General had kept Member States informed of the progress of that undertaking and welcomed the positive results which were being achieved, including those mentioned by the Efficiency Board.

21. Ms. GOICOCHEA ESTENOZ (Cuba) said that the United Nations suffered from chronic budgetary problems which were the result of the policies pursued by certain countries, and assistance must come from all Member States because there was a collective commitment to the Organization. The problem raised by the Efficiency Board was a problem of transparency, of the prerogatives of the General Assembly, and of the provision of accurate and timely information. The

Secretariat could approve and carry out measures to enable it to make progress, but it must not seek to destroy the essential foundations of the United Nations. Cuba was ready to examine all potentially helpful suggestions, as well as the role of Member States.

22. Mr. TOYA (Japan) said that his delegation was in favour of efficiency and noted with satisfaction the activities of the Efficiency Board. It emphasized, firstly, the need for the Board to work closely with the Secretariat's programme directors and for their opinions to be taken fully into account and, secondly, the importance of maintaining the flow of information and the dialogue established with Member States in order to secure the maximum possible support from them for the effective implementation of the efficiency measures proposed by the Board.

23. Mr. MOKTEFI (Algeria) said that his delegation was worried about the future of the reforms and the future of the Organization. If parallel structures were established, Secretariat bodies might deviate from their assigned tasks. No country or body had a monopoly of the reforms, and the Organization did not belong to the Secretariat but to the Member States, so that it was essential for the prerogatives of the General Assembly to be respected. The adoption and assignment of mandates were a fundamental necessity in the functioning and evolution of the United Nations. There were intergovernmental bodies whose task was to secure efficiency and the best use of resources. If those bodies did not achieve the desired results they could be reformed, and the General Assembly could make its contribution to the improvement of their work. His delegation had doubts about the effectiveness of the Efficiency Board.

24. Mr. ARMITAGE (Australia) said that it was necessary to concentrate on securing efficiency and introducing reforms in order to make better use of resources. The work of the Efficiency Board fell within the purview of the Secretary-General as the Organization's principal administrator. His delegation noted with interest the comments made about the representativity of the group which had provided support to the Board. It was true that the level of support must be expanded, but the point was not to destroy the Organization but to revitalize it, to make better use of resources and to improve programme delivery. The Australian delegation agreed that clearer information was needed. It also regretted that so much time was wasted questioning the terms of reference of the Efficiency Board while less attention was given to the substance of the issue, i.e. efficiency.

25. Mrs. INCERA (Costa Rica), speaking on behalf of the Group of 77 and China, re-emphasized that they were in favour of efficiency and that the only difficulty lay in how it was achieved. They also emphasized the need for transparency and the importance of the terms of reference.

26. Mr. CONNOR (Under-Secretary-General for Administration and Management), replying to the questions which had been put, began by saying that the Secretary-General had established the Board on his own initiative, within the terms of his executive authority. If it was thought that he had made a mistake, means of recourse were available; however, unless other instructions were received from the Member States, the intention was to proceed with the process.

27. There were in fact staff members of the United Nations on the Board. Several under-secretaries-general, including himself, were working on the question of efficiency in the Organization. There were staff members who had worked with the task forces set up to examine efficiency-related matters, and several hundred staff members participated in such bodies as part of their duties. In fact, all staff members ought to participate in the process to a greater or lesser extent.

28. With regard to efficiency measures which affected the programme budget, it was for the States members to examine the issues and approve or reject the measures. That was the link between the Efficiency Board and Member States. With regard to the selection of assistants, a unit had been established for that purpose in the Office of Human Resources Management, which had been requested to select young candidates qualified to help the experts serving on the Board. The principle of geographical distribution was generally applied to regular-budget posts but, in any case, all Member States had been asked on several occasions whether they wished to join the Board, and the 28 Member States which had expressed a wish to participate provided a broad geographical distribution.

29. Ms. GOICOCHEA ESTENOZ (Cuba) said that she took note of the information given by the Under-Secretary-General for Administration and Management, but pointed out that the Secretariat had not replied to the question about the vacancy rate in connection with the additional savings of $104 million, bearing in mind what was stated in paragraph 13 of document A/C.5/50/57/Add.1. Furthermore, she would like the Controller to explain how, if the General Assembly had not reached agreement on the deferment of activities as part of the economy measures, some of the documents on the programme budget implications of the adoption of certain measures could refer to the possibility of absorbing costs and deferring planned activities. Her delegation would put its questions in writing and would agree to the conclusion of the general debate on item 116 only if the Secretariat undertook to distribute its answers in writing at the informal consultations.

30. Mr. ATIYANTO (Indonesia) said that his delegation recognized that the existence of the Efficiency Board was a problem whose solution was in the hands not of the Secretariat but of the Member States, which must decide on how to proceed in the matter, and it urged the members of the Committee to take a decision on it.

31. The CHAIRMAN said that there was some disagreement concerning the legitimacy of the Efficiency Board. Some felt that the General Assembly had nothing to do with the Board, which fell within the purview of the Secretary-General as chief administrative officer as laid down in the Charter. Others believed that efficiency was necessary, but that, as a transparency measure, the Member States which made up the Organization should be involved in the attainment of that goal. Finally, he announced that the Committee had concluded its general debate on agenda item 116, subject to the point that had been made by the Cuban delegation.

AGENDA ITEM 120: HUMAN RESOURCES MANAGEMENT (continued) (A/51/304 and A/51/421; A/C.5/49/63 and A/C.5/49/64; A/C.5/50/64; A/C.5/51/1, A/C.5/51/3, A/C.5/51/6 and A/C.5/51/7)

32. Mr. HALLIDAY (Assistant Secretary-General for Human Resources Management), responding to questions asked by a number of Member States, referred first to the freezing of posts pursuant to General Assembly resolution 50/214. Decisions on the freezing of posts had been taken by department heads on the basis of programmes. A post could be frozen when the related functions could be combined with another post or when it was considered that they could be abolished or assigned to a lower level without seriously affecting programmes or services. In addition, the freezing of a post meant that it could not be occupied by another candidate whether or not the latter had priority status. As for staff members who had returned from missions and were not immediately reinstated, there were currently only three in that situation, and steps were already under way to assign appropriate short-term functions to them. Although work remained to be done in that area, it concerned only a small number of the considerable number of staff members entering and leaving the Secretariat in connection with missions.

33. As for posts at the P-2 level, during the period from September 1995 to October 1996, 32 candidates (18 men and 14 women) had been recruited, from 17 countries: Armenia, Botswana, Ecuador, El Salvador, Eritrea, Germany, Haiti, Japan, Namibia, Paraguay, Portugal, Republic of Korea, Rwanda, Saint Kitts and Nevis, Spain, United States of America and Venezuela. Four of those candidates (one man and three women) from three countries (Germany, Haiti and Spain) had been recruited on the basis of the ad hoc national examinations held in July 1995. In addition to those 32 candidates, 18 candidates (11 men and 7 women) from nine countries (El Salvador, Ethiopia, Guinea, Haiti, India, Jamaica, Philippines, Trinidad and Tobago and the United Kingdom) were being promoted through the examinations held in 1996 for the promotion of staff members from the General Service to the Professional category.

34. In response to a question from the delegation of the Democratic People's Republic of Korea, a letter had been sent in February 1996 by the Office of Human Resources Management (OHRM) to that country's Permanent Mission, inviting it to participate in the national competitive examinations to be held in 1997, but OHRM had received no reply, as a result of which the opportunity to participate in those examinations had been lost. However, another invitation would be sent in early 1997, and OHRM would welcome the participation of the Democratic People's Republic of Korea in the 1998 national competitive examinations. With regard to the successful candidates from the 1993 national competitive examinations held in that country, OHRM recalled that only one candidate, in the field of statistics, remained on the list. OHRM had been informed soon after the completion of the examination that the other successful candidate, in the field of social affairs, was unable to accept an appointment at the United Nations. OHRM was continuing its efforts to place that candidate on the reserve list.

35. The compendium of vacancies had been issued as two separate documents (ST/IC/1996/34 and ST/IC/1996/35), containing a total of 165 Professional and 30 General Service long-term vacancies. An additional 7 Professional and

30 General Service vacancies of a limited nature had also been included as an appendix, to assist in the retention of staff members who had not been placed in long-term posts. As the data on vacancies in the Integrated Management Information System had been neither complete nor accurate at that time, OHRM had had to undertake exhaustive research into other sources of information, the main one being information provided by substantive departments. The compendium had been issued on 5 June 1996, containing not only vacant positions but also positions with temporary incumbents. OHRM had decided to include the latter category on the principle that long-serving staff should be given priority over temporary staff. The compendium had been the best that could be hoped for under the circumstances, but should not be viewed as an absolutely complete list of vacancies at that time. Since the imposition of the recruitment freeze on 24 January 1996, 12 staff members had been appointed to P-3 positions; 10 of them had already been serving on short-term appointments and 8 were women. Those positions were in the Department of Peacekeeping Operations, the Economic and Social Commission for Asia and the Pacific, the Office of Legal Affairs, the Department of Policy Coordination and Sustainable Development, the Department of Public Information, the United Nations Conference on Trade and Development and the Office of Internal Oversight Services. Of the 10 candidates recruited, 8 were nationals of countries which were beneath the mid-point of their desirable ranges, and 7 were nationals of developing countries.

36. In response to the remarks of a number of delegations concerning shortcomings in the submission of reports, OHRM could submit an annual performance report to the Fifth Committee on human resources management issues. It could cover measures taken to contribute to achieving equitable geographical distribution; developments in gender balance in the Secretariat staff; recruitment of candidates having passed national competitive examinations; the implementation of the Performance Appraisal System; implementation of the career development and training components of the Secretary-General's strategy; and hiring of consultants and retirees. That information on global Secretariat staff would be broken down by department, as had already been done in respect of gender balance. He would be grateful for guidance from delegations on the subject.

37. By way of an example in the area of staff-management relations, he informed the Committee that the latest meeting of the Joint Advisory Committee had considered the following items: mental health policy; passive smoking problems; the report of the Staff-Management Coordinating Committee; health insurance matters; HIV/AIDS in regard to staff members; availability of staff tables to the Staff Committee; and the recovery of mission subsistence allowance overpayments.

38. Mr. Alom (Bangladesh), Vice-Chairman, took the Chair.

39. Mr. GODA (Japan) requested more information in informal consultations regarding the recruitment of candidates to P-2 positions further to the ad hoc national competitive examination of July 1995. Bearing in mind the delay in the issuance of Fifth Committee summary records as a result of the economy measures, it would be useful if the Assistant Secretary-General for Human Resources Management could circulate his replies in writing. The recruitment freeze seemed to be following two different regimes: the freeze implemented at the

initiative of department and office heads, as one of the various means available to them for the achievement of the savings called for within their areas of competence, and the general external recruitment freeze decided by the Department of Administration and Management; he wondered whether the latter was still in effect.

40. Mr. MIR MOHAMMAD (Islamic Republic of Iran) sought clarification as to whether or not there had been involuntary separations of staff members, the impact on programme delivery of the recruitment freeze, and the savings that were expected to be realized from the maintenance of a fixed rate of vacancies. He recalled the recommendation made by the Advisory Committee on Administrative and Budgetary Questions in paragraph 28 of its report (A/51/7/Add.1) that staff regulation 9.1 should be clarified to ensure that "reduction of staff" was used only as a consequence of abolition of post, and sought an explanation of how that regulation was being implemented. Finally, he wished to request that the Controller be present during the informal consultations on agenda item 120, since some of the matters discussed might have programme budget implications.

41. Ms. INCERA (Costa Rica), speaking on behalf of the Group of 77 and China, sought an explanation of why, contrary to the request that had been made to him, the Under-Secretary-General for Administration and Management had not submitted his replies to the Committee in writing. She wished to know when that would be done.

42. Mr. ODAGA-JALOMAYO (Uganda) said that he would welcome an explanation of how it was possible to abolish or downgrade a post without any impact on programme delivery. He also wished to know how much time staff members returning from missions in the field had spent waiting to be placed and the nationality of those staff members. He would welcome, moreover, a written account of what happened when the Joint Appeals Board ruled in favour of a staff member (since the Administration had sometimes refused to implement the Board's decisions) and what happened when a staff member was denied promotion and the post was subsequently filled by a less qualified external candidate. Finally, Uganda welcomed the efforts being made to achieve gender balance within the staff of the Organization. On the other hand, however, he wished to know what steps were being taken to combat racial discrimination in promotions, particularly against staff members of African origin.

43. Mr. Sengwe (Zimbabwe) resumed the Chair.

44. Ms. GOICOCHEA ESTENOZ (Cuba) wished to know what would happen upon the return of staff in the Professional category on permanent contracts who, owing to budgetary constraints, had been assigned to peacekeeping operations and what impact their return would have on the level of savings realized. Also, the additional replies which the Secretariat had submitted in writing on 6 November to the questions posed by delegations concerning document A/C.5/50/57/Add.1 clarified the situation of staff who had been promoted and mentioned the specialized nature of the posts. However, since those requests for promotions had not been included in the budget proposals for the biennium 1996-1997, Cuba wondered what their programme budget implications would be.

45. Mrs. EMERSON (Portugal) sought clarification as to whether the involuntary separations proposed by the Secretary-General were due solely to the need to realize savings or whether they were also due to unsatisfactory job performance.

46. Mr. TAKASU (Controller), replying to a question that had been asked concerning vacancy rates and savings in the budget, referred to page 4 of the informal paper which had been circulated on 31 October 1996 to members of the Committee. In the early stages of preparation of the budget, the vacancy rate for the Professional category was 6 per cent and for the General Service category 0.8 per cent. During the negotiations on the adoption of resolution 50/214, Member States had agreed to increase the vacancy rate for both Professional and General Service posts to 6.4 per cent. The difference between 6 per cent and 6.4 per cent in the Professional category and between 0.8 per cent and 6.4 per cent in the General Service category realized savings of $50 million. In addition, the General Assembly had decided in resolution 50/214 that the projected level of savings to be achieved during the biennium would be $104 million. As stated on page 5 of the above-mentioned document, all programme managers had been asked to come up with proposals for achieving the savings target of $104 million, in addition to the savings of $50 million realized from maintaining the vacancy rate at 6.4 per cent. After the proposals had been submitted, it had been agreed that the average vacancy rate should be 9 per cent for the Professional category and 7 per cent for the General Service category. That meant that an additional 3 per cent of vacancies had to be achieved in the Professional category and between 0.6 per cent and 1 per cent in the General Service category. That increase would yield additional savings of $49 million. Consequently, $99.3 million of the savings realized out of the total of $154 million were as a result of the increase in the vacancy rate.

47. With regard to the programmatic implications of the increase in the vacancy rate, he had no doubt that activities had been severely impacted. Part II of document A/C.5/50/57/Add.1 provided details of the activities that would be affected by the increase in the vacancy rate and by the savings realized. It was for Member States to decide whether that constituted non-compliance with the instructions which they had given with respect to the implementation of mandated activities, since the Secretary-General was not of the view that he had failed to comply with those instructions.

48. As for the programme budget implications of the draft resolutions, action had been taken in accordance with rule 153 of the rules of procedure of the General Assembly. When a Main Committee submitted a draft resolution in which it decided to mandate new activities with additional financial implications, the Secretariat should first determine whether it was possible to absorb the cost in the current budget by adjusting the programme of work. In the next stage, all programme managers were required to examine and determine whether it was possible to absorb the additional expenditure. Only then would the Secretary-General request at the conclusion of his statement on programme budget implications additional resources equivalent to the amount which could not be absorbed by other means.

49. Mr. IRAGORRI (Colombia) drew the Committee's attention to a problem which he had noted in the debate on the vacancy rate. If staff costs accounted for

75 per cent of the Organization's budget and the initial budget was for the amount of $2,700 million, then staff costs for that biennium should amount to $2,025 million, which meant that if the vacancy rate was 10 per cent, savings would be $202.5 million and if the vacancy rate was 5 per cent, then savings would amount to $100 million. Either there was an error in the calculation of the percentage of the budget represented by staff costs or the mathematical calculation was wrong.

50. Mr. ODAGA-JALOMAYO (Uganda), referring to the last question just answered by the Controller, sought clarification of what had been meant by "adjusting the programme of work", since if Member States requested that all mandated programmes should be implemented that would give rise to a contradiction. If a given amount were allocated to a given project, unless that project were discontinued or not implemented, one could not speak at one and the same time of absorbing costs and of fully implementing the programme.

51. Mr. TAKASU (Controller), referring to the relationship between vacancy rates and savings, said that the formula was not as simple as had been suggested. In calculating the savings which could be realized through an increase in the vacancy rate, the point of departure was not zero. The initial vacancy rate was 6 per cent for the Professional category and 0.8 per cent for the General Service category, which meant that the budget had not been calculated on the basis of 100 per cent but on the difference between 100 per cent and 6 per cent for the Professional category and between 100 per cent and 0.8 per cent for the General Service category, or 94 per cent and 99.2 per cent, respectively, of expenditures, to arrive at a budget of $2,000 million. Ten per cent of that amount could not be subtracted. The real savings realized would amount to the difference between the 10 per cent and the 6 per cent that had originally been allocated for the Professional category, which meant 4 per cent in additional savings.

52. With regard to the programme of work and mandated programmes, as stated in pages 1 and 2 of the informal paper of 31 October, adjustments were constantly being made and any significant reduction in the budget had implications for the programme of work. The question to be asked, therefore, was whether, as a result of changes in the programme of work, there had been any reduction in mandated activities. The Secretary-General had done everything in his power to ensure that mandated activities were not affected.

53. The CHAIRMAN said that the Assistant Secretary-General for Human Resources Management would respond at the Committee's next meeting to the questions raised in connection with agenda item 120.

The meeting rose at 6.20 p.m.